

2007 DRAFTING REQUEST

Assembly Amendment (AA-ASA(LRBs0076/2)-AB85)

Received: **05/07/2007**

Received By: **jkreye**

Wanted: **Today**

Identical to LRB:

For: **Louis Molepske (608) 267-9649**

By/Representing:

This file may be shown to any legislator: **NO**

Drafter: **jkreye**

May Contact:

Addl. Drafters:

Subject: **Tax, Business - credits**

Extra Copies:

Submit via email: **YES**

Requester's email: **Rep.Molepske@legis.wisconsin.gov**

Carbon copy (CC:) to: **joseph.kreye@legis.wisconsin.gov**

Pre Topic:

No specific pre topic given

Topic:

Credit for flexible fuel vehicles; ethanol purchase requirement

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/1	jkreye 05/07/2007	jdyer 05/07/2007	rschluet 05/07/2007	_____	mbarman 05/07/2007	mbarman 05/07/2007	

FE Sent For:

<END>

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/1	jkreye	15/jld					
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FE Sent For:

<END>

5-7-07

Molokai —

50076/2

amendment

▷ Harbor limitation → flex fuel

~~title~~

credit contingent — 500 gallons of ethanol

hearing or used.

Joe -

The language that Louis would like to be included is underlined below. If you need any other information, please let me know. Thank you very much!

Chris

7-9649

Kansas Legislature[Home](#) > [Statutes](#) > [Statute](#)[Previous](#)[Next](#)**79-32,201****Chapter 79.--TAXATION
Article 32.--INCOME TAX****79-32,201. Tax credit for alternative-fueled motor vehicle property expenditures.**

(a) Any taxpayer who makes expenditures for a qualified alternative-fueled motor vehicle or alternative-fuel fueling station shall be allowed a credit against the income tax imposed by article 32 of chapter 79 of the Kansas Statutes Annotated, as follows:

(1) For any qualified alternative-fueled motor vehicle placed in service on or after January 1, 1996, and before January 1, 2005, an amount equal to 50% of the incremental cost or conversion cost for each qualified alternative-fueled motor vehicle but not to exceed \$3,000 for each such motor vehicle with a gross vehicle weight of less than 10,000 lbs.; \$5,000 for a heavy duty motor vehicle with a gross vehicle weight of greater than 10,000 lbs. but less than 26,000 lbs.; and \$50,000 for motor vehicles having a gross vehicle weight of greater than 26,000 lbs.;

(2) for any qualified alternative-fueled motor vehicle placed in service on or after January 1, 2005, an amount equal to 40% of the incremental cost or conversion cost for each qualified alternative-fueled motor vehicle, but not to exceed \$2,400 for each such motor vehicle with a gross vehicle weight of less than 10,000 lbs.; \$4,000 for a heavy duty motor vehicle with a gross vehicle weight of greater than 10,000 lbs. but less than 26,000 lbs.; and \$40,000 for motor vehicles having a gross vehicle weight of greater than 26,000 lbs.;

(3) for any qualified alternative-fuel fueling station placed in service on or after January 1, 1996, and before January 1, 2005, an amount equal to 50% of the total amount expended for each qualified alternative-fuel fueling station but not to exceed \$200,000 for each fueling station;

(4) for any qualified alternative-fuel fueling station placed in service on or after January 1, 2005, an amount equal to 40% of the total amount expended for each qualified alternative-fuel fueling station, but not to exceed \$160,000 for each fueling station.

(b) If no credit has been claimed pursuant to subsection (a), a credit in an amount not exceeding the lesser of 5% of the cost of the vehicle or \$750 shall be allowed to a taxpayer who purchases a motor vehicle equipped by the vehicle manufacturer with an alternative fuel system and who is unable or elects not to determine the exact basis attributable to such property. The credit under this subsection shall be allowed only to the first individual to take title to such motor vehicle, other than for resale. The credit under this subsection for motor vehicles which are capable of operating on a blend of 85% ethanol and 15% gasoline shall be allowed for taxable years commencing after December 31, 1999, only if the individual claiming the credit furnishes evidence of the purchase, during the period of time beginning with the date of purchase of such vehicle and ending on December 31 of the next succeeding calendar year, of 500 gallons of such ethanol and gasoline blend as may be required or is satisfactory to the secretary of revenue.

(c) The tax credit under subsection (a) or (b) shall be deducted from the taxpayer's income tax liability for the taxable year in which the expenditures are made by the

taxpayer. If the amount of the tax credit exceeds the taxpayer's income tax liability for the taxable year, the amount which exceeds the tax liability may be carried over for deduction from the taxpayer's income tax liability in the next succeeding taxable year or years until the total amount of the tax credit has been deducted from tax liability, except that no such tax credit shall be carried over for deduction after the third taxable year succeeding the taxable year in which the expenditures are made.

(d) As used in this section:

(1) "Alternative fuel" has the meaning provided by 42 U.S.C. 13211.

(2) "Qualified alternative-fueled motor vehicle" means a motor vehicle that operates on an alternative fuel, meets or exceeds the clean fuel vehicle standards in the federal clean air act amendments of 1990, Title II and meets one of the following categories:

(A) Bi-fuel motor vehicle: A motor vehicle with two separate fuel systems designed to run on either an alternative fuel or conventional fuel, using only one fuel at a time;

(B) dedicated motor vehicle: A motor vehicle with an engine designed to operate on a single alternative fuel only; or

(C) flexible fuel motor vehicle: A motor vehicle that may operate on a blend of an alternative fuel with a conventional fuel, such as E-85 (85% ethanol and 15% gasoline) or M-85 (85% methanol and 15% gasoline), as long as such motor vehicle is capable of operating on at least an 85% alternative fuel blend.

(3) "Qualified alternative-fuel fueling station" means the property which is directly related to the delivery of alternative fuel into the fuel tank of a motor vehicle propelled by such fuel, including the compression equipment, storage vessels and dispensers for such fuel at the point where such fuel is delivered but only if such property is primarily used to deliver such fuel for use in a qualified alternative-fueled motor vehicle.

(4) "Incremental cost" means the cost that results from subtracting the manufacturer's list price of the motor vehicle operating on conventional gasoline or diesel fuel from the manufacturer's list price of the same model motor vehicle designed to operate on an alternative fuel.

(5) "Conversion cost" means the cost that results from modifying a motor vehicle which is propelled by gasoline or diesel to be propelled by an alternative fuel.

(6) "Taxpayer" means any person who owns and operates a qualified alternative-fueled vehicle licensed in the state of Kansas or who makes an expenditure for a qualified alternative-fuel fueling station.

(7) "Person" means every natural person, association, partnership, limited liability company, limited partnership or corporation.

(e) Except as otherwise more specifically provided, the provisions of this section shall apply to all taxable years commencing after December 31, 1995.

History: L. 1995, ch. 262, § 6; L. 1999, ch. 154, § 5; L. 2001, ch. 176, § 14; July 1.

Kansas Incentives and Laws

Alternative Fuel Vehicle (AFV) Tax Credit

The state offers an income tax credit equal to 40% of the incremental or conversion cost for qualified AFVs placed in service after January 1, 2005, as outlined in the chart below. Qualified AFVs include vehicles that operate on compressed natural gas (CNG), a blend of 85% ethanol and 15% gasoline (E85), liquefied petroleum gas (LPG), and electric vehicles.

GVWR	Credit
Less than 10,000 lbs.	Up to \$2,400
10,000 to 26,000 lbs.	Up to \$4,000
Over 26,000 lbs.	Up to \$40,000

Alternatively, a tax credit in an amount not to exceed the lesser of \$750 or 5% of the cost of the AFV is available to a taxpayer who purchases an original equipment manufacturer (OEM) AFV. This credit is allowed only to the first individual to take title of the vehicle. For motor vehicles capable of operating on E85, this credit is allowed for taxable years after December 31, 1999. **The individual claiming the credit must provide evidence of purchasing at least 500 gallons of E85 between the time the vehicle was purchased and December 31 of the next calendar year.** This tax credit should be deducted from the taxpayer's income tax liability for the taxable year in which the expenditures are made. In the event the credit is more than the taxpayer's tax liability for that year, the remaining credit may be carried over for up to three years after the year in which the expenditures were made. (Reference Kansas Statutes 79-32,201)

Point of Contact

Jim Ploger
Director

Kansas Energy Office

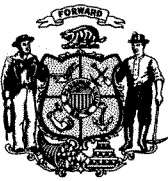
Phone (785) 271-3349

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http://www.kcc.state.ks.us/energy/alt_fuels.htm

→ LM 5/1/07 @ 10:37



State of Wisconsin
2007 - 2008 LEGISLATURE

LRBa0464/1

JK:.....

Handwritten: JLD, attached

**ASSEMBLY AMENDMENT ,
TO ASSEMBLY SUBSTITUTE AMENDMENT (LRBs0076/2),
TO 2007 ASSEMBLY BILL 85**

in 5-7-07

Today

1 At the locations indicated, amend the substitute amendment[✓] as follows:

2 **1.** Page 5, line 3: after that line insert:

3 “4. No claimant may claim the credit under this subsection[✓] unless the claimant
4 submits with the claimant’s return any documentation prescribed by the department[✓]
5 that indicates that the claimant purchased at least 500[✓] gallons of motor vehicle fuel
6 sold as 85[✓] percent ethanol for the period beginning on the date that the claimant
7 purchased the motor vehicle or on the[✓] first day of the lease period and ending on
8 December 31[✓] of the calendar year following the calendar year in which the claimant
9 purchased or leased the motor vehicle.”[✓]

10 **2.** Page 8, line 5: after that line insert:

11 “4. No claimant may claim the credit under this subsection[✓] unless the claimant
12 submits with the claimant’s return any documentation prescribed by the department

1 that indicates that the claimant purchased at least 500[✓] gallons of motor vehicle fuel
2 sold as 85 percent ethanol[✓] for the period beginning on the date that the claimant
3 purchased the motor vehicle or on the[✓] first day of the lease period and ending on
4 December 31 of the calendar year following the calendar year in which the claimant
5 purchased or leased the motor vehicle.”[✓]

6 **3.** Page 10, line 20: after that line insert:

7 “4. No claimant may claim the credit under this subsection[✓] unless the claimant
8 submits with the claimant’s return any documentation prescribed by the department
9 that indicates that the claimant purchased at least[✓] 500 gallons of motor vehicle fuel
10 sold as 85[✓] percent ethanol for the period beginning on the date that the claimant
11 purchased the motor vehicle or on the first day of the lease period and ending on
12 December 31 of the calendar year following the calendar year in which the claimant
13 purchased or leased the motor vehicle.”[✓]

14 (END)